

**GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA**

UNSTARRED QUESTION NO:597

ANSWERED ON:04.03.2002

REHABILITATION PACKAGE FOR PUBLIC SECTOR COAL COMPANIES

KAMAL NATH;M.H. AMBAREESH

Will the Minister of COAL AND MINES be pleased to state:

- (a) whether a proposal to rehabilitate the loss making public sector companies is under consideration of the Government;
- (b) if so, the details thereof; and
- (c) the measures likely to be adopted to bridge the gap between the demand projected for coal in various Plans and actual production ?

Answer

MINISTER OF STATE FOR COAL AND MINES (SHRI RAVI SHANKAR PRASAD)

(a) & (b) The Bharat Coking Coal Limited (BCCL), Eastern Coalfields Limited (ECL) and Central Coalfields Limited (CCL) are the three subsidiaries of Coal India Limited (CIL) running under losses. Despite a number of measures taken to improve the financial position of the loss making companies, these companies continued to incur losses. Therefore, their net-worth having become negative, these companies have been referred to Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provisions) Act, 1985 as these have become sick within the meaning of Section 3(1)(O) of the Act. The government is taking steps for revival of the company taking into account the possibility of revival of each of them.

(c): For augmentation of coal production in the country in order to bridge the gap between the projected demand and supply of coal at the end of X and XI Plan periods steps are taken to improve production and productivity in various coalfields of Coal India. Besides, Government of India has introduced the Coal Mines (Nationalisation) Amendment Bill, 2000 in the Rajya Sabha to amend the Coal Mines (Nationalisation) Act, 1973. The Amendment Bill seeks to allow Indian companies to undertake non-captive coal mining in the new blocks of coal and lignite and also exploration of coal and lignite resources.